



Canadian Overseas Petroleum Limited: Prospectus in Respect of a Second Tranche Offering

Calgary, Canada, June 9, 2017 – Canadian Overseas Petroleum Limited (“COPL” or the “Company”) (XOP: TSX-V) & (COPL: LSE), is pleased to announce the approval by the UK Listing Authority of a prospectus (the “**Prospectus**”) prepared by the Company in relation to the admission, to the standard listing segment of the Official List of the Financial Conduct Authority (the “**FCA**”) and to trading on the Main Market for listed securities of the London Stock Exchange, of: (i) 101,066,868 second tranche offering closing shares (the “**Second Tranche Offering Closing Shares**”) in connection with an offering completed by the Company on 3 May 2016; and (ii) 656,000,000 placing shares (the “**Placing Shares**” together with the Second Tranche Offering Closing Shares, the “**New Shares**”) comprising 650,000,000 Placing Shares announced on 25 May 2017 and a subsequent placing of a further 6,000,000 Placing Shares. The New Shares are expected to be admitted to trading on the London Stock Exchange, on or about, 12 June 2017 (the “**New Share Admission**”).

Details of the New Shares:

On 3 May 2016, the Company issued 101,066,868 units at a price of CAD\$0.07 per unit (the “**Second Tranche Offering**”). Each unit comprised of one common share in the capital of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share at a price of CAD\$0.095 per common share at any time prior to 4:30 p.m. (Calgary time) on the date that is 24 months from the closing date of the closing of the Second Tranche Offering. Further, on or around 25 May 2017, the Company completed the placing of 656,000,000 Placing Shares of £0.005 per Placing Share to raise gross proceeds of £3.28 million. Each New Share is a common share in the capital of the Company and ranks *pari passu* with the Company's existing common shares.

Copies of the Prospectus, which is dated 8 June 2017, will be available for inspection for a period of 12 months following New Share Admission at the offices of McCarthy Tétrault, 26th Floor, 125 Old Broad Street, London EC2N 1AR. The Prospectus will also be available on the website of the Company at <http://canoverseas.com>, subject to applicable securities laws, and shall shortly be submitted to the National Storage Mechanism and be available for inspection at www.morningstar.co.uk/uk/NSM.

Total voting rights:

Following the New Share Admission, the Company's share capital and total voting rights comprises 1,273,139,350 common shares of no par value and the Company does not hold any shares in treasury. Consequently, 1,273,139,350 is the figure which may be used by shareholders



as the denominator for the calculation by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure and Transparency Rules.

Capitalised terms used in the Prospectus shall, unless the context provides otherwise, have the same meaning in this announcement.

About the Company:

The Company is an international oil and gas exploration and development company focused in offshore West Africa. The Company holds a 17% working interest in Block LB-13, offshore Liberia, with ExxonMobil the operator holding an 83% working interest. The Company is also actively pursuing opportunities in Nigeria in partnership with Shoreline Energy as part of its strategy to generate stable cash flow from secure offshore assets. The Company and Shoreline, through their jointly held affiliated company, Shoreline Canadian Overseas Petroleum Development Corporation ("ShoreCan") has acquired 80% of the share capital of Essar Exploration and Production Limited (Nigeria) which holds an attractive oil appraisal and development project in shallow to mid water offshore Nigeria on its 100% holding in OPL 226. Drilling of the first appraisal well is planned to commence in late 2017. ShoreCan is currently waiting for final approval from the Government of Nigeria for the acquisition.

ShoreCan is building a portfolio of exploration and development assets in sub-Saharan Africa. To date, ShoreCan has taken a position in Nigeria. It continues to evaluate a variety of additional assets in Nigeria and Equatorial Guinea.

The Common Shares are listed under the symbol "XOP" on the TSXV and under the symbol "COPL" on the London Stock Exchange.

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This news release contains forward-looking statements. The use of any of the words "initial", "scheduled", "can", "will", "prior to", "estimate", "anticipate", "believe", "should", "forecast", "future", "continue", "may", "expect", and similar expressions are intended to identify forward-looking statements. The forward-looking statements contained herein are based on certain key expectations and assumptions made by the Company, including, but not limited to, the ability to raise the necessary funding for operations, delays or changes in plans with respect to exploration or development projects or capital expenditures. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements since the Company can give no assurance that they will prove to be correct since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties most of which are beyond the control of Canadian Overseas Petroleum Ltd. For example, the uncertainty of reserve estimates, the uncertainty of estimates and projections relating to production, cost overruns, health and safety issues, political and environmental risks, commodity price and exchange rate fluctuations, changes in legislation affecting the oil and gas industry could cause actual results to vary materially from those expressed or implied by the forward-looking information. Forward-looking statements contained in this news release are made as of the date hereof and Canadian Overseas Petroleum undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.



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